



## INTERDEPARTMENTAL MEMORANDUM

**SUBJECT:** Emergency Budget Instructions for the First *Regular*  
Session of the 122nd Legislature

**DATE:** August 2, 2004

**TO:** All Departments and Agencies

**FROM:** Keith E. Todd, State Budget Officer                      Bureau of the Budget

In anticipation of the First Regular Session of the 122nd Legislature we ask that you identify any needed adjustments and/or emergency requests in appropriations or allocations for fiscal year 2004-05. The purpose of the emergency budget process is to make marginal adjustments and refinements to the FY 05 budgets already authorized by the Legislature rather than to undertake new and expanded initiatives. While departments and agencies may submit emergency General Fund and Highway Fund requests based on legitimate needs, Governor Baldacci is committed to an emergency budget bill that seeks no net increase in General Fund appropriations or Highway Fund allocations, and expects departments and agencies to manage expenditure variations within available resources in the department or agency for FY 05. This means that any requests for additional appropriations or allocations must be accompanied by detailed operational plans for managing programs within existing appropriations or allocations in FY 05 as supporting documentation to the required budget form submission. These submissions should explain the programmatic impact of the offset plan and ensure that the budgetary impact of the plan matches the corresponding emergency budget. For example, if the emergency request is ongoing, then the offset should also have a permanent and continuing budgetary offset. These offsetting reductions may enhance the likelihood that your emergency request will be funded. In the event that the administration will need to look at reductions in order to absorb increased costs or revenue reductions, departments and agencies should be prepared to identify such reductions. Departments and agencies are encouraged to step forward with the realization of savings for FY 05 that can be applied to other areas.

### **NON-GENERAL FUND REQUESTS:**

All requests for other than General Fund or Highway Fund accounts should be processed for FY 05 in accordance with the guidelines that follow.

Departments and agencies should review all Non-General Fund and Non-Highway Fund accounts in order to determine if allocation adjustments are required to meet operating needs for the balance of this biennium. Please remember that appropriation and/or allocation adjustments in programs that match Federal Expenditure Funds will require the submission of the corresponding adjustment to the Federal-matching program. The Governor only has authority to accept and allot federal grants and federal block grant funds for a 12-month period, any action that has been approved by Financial Order, but has not yet been authorized by the Legislature must be included in your submission if it is to continue. Please keep in mind that current budget policy seeks to avoid the creation of new positions. Departments and agencies that receive Federal Expenditure Funds and/or Federal Block Grant Funds would be expected to utilize these funds in a manner that does not require the creation of new positions to include restructuring or the assignment of duties to existing positions and/or

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contractual services consistent with Internal Revenue Services regulations regarding the establishment of employer/employee relationships. Other funds will not have new positions recommended unless the activity constitutes an extreme high priority and the service directly impacts Maine citizens in the form of health, safety and security. You should also remember that all Dedicated Revenue accounts continue to require allocation by the Legislature. This includes the use of any balance forward or transfer of resources as well as increased revenues.

### **ELECTRONIC SUBMISSIONS:**

Departments and agencies that have on-line access to BFMS will enter the budget request by selecting the Biennial button in the *Main Menu* window, selecting **Biennium** '2004' and the appropriate **Umbrella** value, highlighting the 'K Yr 3 Agency Development Version', and clicking the **Select** button. FY 05 Emergency Part II requests should be entered using Change Group 'I'.

|             |   |   |
|-------------|---|---|
| Change Type | A | Supplemental appropriations and allocations from various governmental, internal service and enterprise funds for FY 2005.     |
|             | B | Supplemental appropriations and allocations from various governmental funds for approved reclassifications and range changes. |

**If the request involves activities that will need funding in FY 06 and FY 07, be sure to include the item in your Part II request and referencing the request in the FY 05 Emergency Bill.**

When data entry has been completed, set all sub-schedules to 'Complete' in the *Budget Request Checklist* window and submit the request by highlighting the version in the *Version Control* window and clicking the **Submit** button. **Version Type** 'M' and **New Version** sequence '01' will be selected by default. To summarize budget data reflected at lower reporting levels to the Account level in the 'M01' version, click the checkbox for the **Roll Up** copy option in the *Submit Version* popup window and click **OK** to complete the process. **Once the data reflected in a budget version has been rolled to the Account level, the budget versions may only be modified at that level for the remainder of the 2004- 2005 biennium.**

Through the *Biennial Reports* window, a Budget Guideline report, summarized for all Funds at the Umbrella level, should be generated for each budget item (Position Count, Appropriations/Allocations, Expenditures, etc.),. Insert columns 28 (Total FY 2005 Cumulative), 29 (Emergency Supplemental FY 2005), 32 and 33 (Total FY 2004 & FY 2005 Cumulative), and 34 (Total Biennium) from the '2004-K-01' version for display in the reports. Each report should be signed by the department or agency head and returned to the Bureau of the Budget as the department's official budget submission as soon as possible, but no later than **September 1, 2004.**

### **STATUTORY AND UNALLOCATED LANGUAGE:**

Any proposed statutory language or unallocated language necessary to give effect to a budgetary request must be prepared and forwarded to the Bureau of the Budget as specified in **Attachment A.**

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## **PERFORMANCE BUDGETING SUBMISSIONS:**

Departments and agencies must access the *Performance Budget Values* window, select the '2004' biennium, and make any necessary revisions to 2005 Program Strategies that are reflected for new Programs created during a session of the 121<sup>st</sup> Legislature. If a change is needed, the same change should be made to the Program Strategy for 2006 and 2007 by selecting the '2006' biennium. BFMS accommodates the copy and paste of data from one biennium to another.

A separate submission in a performance budget format is not required, however, a Performance Budget Guideline report may be produce through the *Biennial Reports* window for each Program for which an FY 05 emergency request has been entered. Select Biennium = '2004' and Year = '2005'. Select the Program Strategy radio button to generate a report for each Program and a Program Strategy value (otherwise, a report will be produced for every Program Strategy for the department or agency, regardless of whether a request has been entered or not). On the Reporting Type Selection Tab, select the Measures and Explanatory Information checkbox. To include Appropriation/Allocation and/or Position Count information, select the appropriate checkbox(es). These reports may be further qualified by selecting a Fund. On the Columns/Versions Selection tab, select the columns specified above for the Budget Guidelines report.

## **TIME LINE:**

In order to expedite the resolution of supplemental requests for the administration, we are requesting that all data be submitted to this office **no later than September 1, 2004**. Adherence to this deadline is extremely important, as requests received after this date cannot be assured of being included in the Governor's budget proposals to the First Regular Session of the 122<sup>nd</sup> Legislature.

Please do not hesitate to contact your Budget Analyst/Examiner if you have any questions or if you have any legitimate emergencies that cannot be accommodated within the context of these guidelines.

KET/djl

Attachment

cc: Rebecca Wyke, Commissioner, Department of Administrative and Financial Services  
Jane Lincoln, Chief of Staff  
Budget and Position Control Analysts/Examiners  
Grant Pennoyer, Director, Office of Fiscal and Program Review  
Office of Revisor of Statutes

## **Attachment A**

### **Statutory Language and Unallocated Language**

**SUBJECT:** Requirements for the Preparation and Submission of Statutory Language and Unallocated Language (nonstatutory) in connection with a Budgetary Request

1. Follow the bill format and Maine Revised Statutes mechanical structure used by the Office of the Revisor of Statutes at <http://janus.state.me.us/legis/ros/manual/TableofContents.htm>).
2. Use the Maine Legislative Drafting Manual from the Office of the Revisor of Statutes to prepare suggested language (If your department or agency does not have a copy of the drafting manual, contact the Office of the Revisor of Statutes to request a copy).
3. Number each section of language in numerical sequence and place each such section on a separate page.
4. Include a detailed statement of fact and fiscal note for each numbered section on a separate page.
5. Include the name and phone number of the staff person to contact regarding substantive questions about each section of language.
6. Submit a hardcopy of the most recent draft with any change marked in red, if the language already has been submitted to the Office of the Revisor of Statutes.
7. The use of Microsoft Word is the preferred software. Please prepare in Times Roman, 12 cpi with one inch margins. Use of any other software must be approved for compatibility. If using any other software, please identify what it is and the version.
8. Submit a copy to the Bureau of the Budget by e-mail to Brenda Devoe at the Bureau of the Budget or on a 3½" diskette with a department name and a file name label on the diskette.
9. Submit a hardcopy of the language along with the diskette in 8. above; and,
10. Contact Brenda Devoe in the Bureau of the Budget (624-7810), if these requirements present an operational or technical problem.